

CITY OF MOUNT VERNON, NEW YORK

OFFICE OF THE MAYOR
CITY HALL - ROOSEVELT SQUARE
MOUNT VERNON, NEW YORK 10550
(914) 665-2300
WWW.CMVNY.COM

ERNEST D. DAVIS

September 16, 2015

The Honorable Tom Wheeler
Chairman
Commissioners
Mignon Clyburn
Jessica Rosenworcel
Ajit Pai
Michael O'Reilly
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: APPLICATIONS OF CHARTER COMMUNICATIONS, INC., TIME WARNER CABLE INC., AND ADVANCE/NEWHOUSE PARTNERSHIP FOR CONSENT TO TRANSFER CONTROL OF LICENSES AND AUTHORIZATIONS MB Docket No. 15-149

Dear Chairman Wheeler and Commissioners Clyburn, Rosenworcel, Pai and O'Reilly

As the Mayor of the City of Mount Vernon, New York, I write to request the leadership of the Federal Communications Commission to protect the rights of my predominantly minority community by withholding your support or approval for the proposed merger between Charter Communications and Time Warner Cable. Approval should be withheld until the companies, individually, or jointly, honor the substantial promises for Public, Educational and Governmental ("PEG") programming facilities Time Warner has made to Mount Vernon facilities for more than ten years. Not only has Time Warner's failure to make these PEG commitments cost the people of my city a PEG studio and the programming such a studio would make possible, but their failure to honor PEG pledges or renew their franchise has cost the citizens of Mount Vernon hundreds of thousands of dollars in matching funds for our other cable operator, Verizon¹.

The City of Mount Vernon has also informed the New York Public Service Commission that it is also at fault for Time Warner's ill treatment of Mount Vernon. The New York Public

¹ Mount Vernon's cable franchise agreement with Verizon would have provided the City \$533,610.87 in matching funds to support Public, Educational, and Governmental (PEG) programming between 2008 and 2015

Service Commission has permitted Time Warner to avoid renewal discussions with the City of Mount Vernon and operate in the City based on a 1992 franchise between the City and Paragon Cable that expired in 2002. Since then, Time Warner has never made a single PEG contribution, but has pledged a grant of seven hundred thousand dollars (\$700,000.00) in every franchise renewal proposal it has made. It appears that Time Warner, however, has never been committed to provide such a grant as the PSC's rules permitted it to operate in the existing "holdover" status with no new benefits for my community. And as referenced above, the PSC's silence, besides subjecting the residents of Mount Vernon to cable franchise provisions negotiated in 1992, which were never intended to last nearly this long, the PSC's sanctioned conduct of Time Warner has resulted in a significant independent financial losses to Mount Vernon.

Mount Vernon calls on the Federal Communications Commission to withhold approval of the proposed merger and transfer of Federal licenses until commitments to Mount Vernon have been met. The Commission must not allow Time Warner to avoid its obligations to my community by means of a merger. To do so would be to reward Time Warner's refusal to conclude renewal negotiations for 13 years, and then to refuse to honor proposals offered again and again in those negotiations.

The City of Mount Vernon is also very troubled that should the Charter acquisition of Time Warner be completed before the meaningful PEG obligations to our community are made, these obligations will never be honored. Charter has a history of becoming overleveraged through debt-financed mergers. In fact, past mergers debt overwhelmed Charter leading the company to file for bankruptcy in 2009.

Given this background, it is hard to see how a merger would lead to better fulfillment of public responsibilities, and therefore be in the public interest. Unless Time Warner honors its years of promises to Mount Vernon, the proposed merger should not be approved.

Respectfully

Ernest D. Davis

Mayor of Mount Vernon, New York

Cc by email

Vanessa Lemmé at <u>Vanessa.Lemme@fcc.gov</u>
Ty Bream, at <u>Tv.Bream@fcc.gov</u>
Elizabeth McIntyre, at <u>Elizabeth.McIntyre@fcc.gov</u>
Adam Copeland, at <u>Adam.Copeland@fcc.gov</u>

Jim Bird, at <u>TransactionTeam@fcc.gov</u>

³ See note 1 supra.

² The City is prepared to share with the Commission each of these proposals should you desire said copies.